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09-23-2002

U.S. Patent & TMOfc/TM Mail Rcpt Dt, #26

IN THE UNITED STATES PATENT AND INAUEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In re 7-ELEVEN, INC.,

) APPEAL BRIEF OF) 7-ELEVEN, INC.

Mark: SUPER BIG GULP PLUS

International Class No.: 32 Serial No.: 75/8

75/806,472

Filing Date: September 22, 1999

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I. STATEMENT

Applicant-Appellant, 7-Eleven, Inc. ("7-Eleven"), in accordance with Rule 2.142 of the Trademark Rules of Practice, files this opening brief in support of its *ex parte* appeal from the Trademark Examining Attorney's decision to deny 7-Eleven's application to register the mark SUPER BIG GULP PLUS for "soft drinks for consumption on or off the premises" without a disclaimer of the term "super big." For the reasons set forth below, the Trademark Examining Attorney's disclaimer requirement is erroneous as a matter of law and should be reversed.

II. ISSUES PRESENTED

Two issues are raised by this ex parte appeal, namely:

1. Does the Trademark Examining Attorney's disclaimer requirement constitute a legally impermissible collateral attack upon incontestable United States Trademark Registration Numbers 1,110,172 and 1,470,871 for the marks BIG GULP and SUPER BIG GULP, respectively, for the identical goods?

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2. Did the Trademark Examining Attorney err in finding the "super big" elements of 7-Eleven's mark SUPER BIG GULP PLUS to be descriptive, rather than suggestive, of 7-Eleven's soft drink products?

III. FACTS

7-Eleven owns United States Trademark Registration Numbers 1,110,172 and 1,470,871 for the marks BIG GULP and SUPER BIG GULP respectively, each registered for "soft drinks for consumption on or off the premises." See Mandly Decl. (7/6/01) at ¶¶ 2 & 3 & Exhs. 1 & 2. Said registrations became incontestable on May 7, 1984 and May 24, 1993 respectively. See id.

On September 22, 1999, 7-Eleven filed the subject application to register the mark SUPER BIG GULP PLUS for "soft drinks for consumption on or off the premises."

On March 23, 2000, the Trademark Examining Attorney issued an office action requiring disclaimer of "super big" on the grounds that these elements were descriptive of 7-Eleven's goods. In its response, 7-Eleven argued that the term "super" was suggestive, rather than descriptive, of its beverage products. See Response to Office Action Dated March 23, 2001 at 2-4 (9/28/00). 7-Eleven further argued that the disclaimer requirement was inappropriate in light of its ownership of the aforesaid incontestable registrations. See id. at 4.

On February 5, 2001, the Trademark Examining Attorney issued an office action making final her requirement for disclaimer of "super big."

Although the Trademark Examining Attorney reiterated her prior finding that

the term "super" was laudatory, and therefore descriptive, of 7-Eleven's beverage products, she wholly disregarded 7-Eleven's argument based upon the incontestable status of the aforesaid registrations. See Office Action (2/5/01) at 2. On July 6, 2001, 7-Eleven filed a response to the February 5th office action noting the Trademark Examining Attorney's failure to address 7-Eleven's argument based upon the incontestable status of the aforesaid registrations, suggesting, therefore, that issuance of a final rejection was premature, and requesting reconsideration based upon this point of law. See Response to Office Action (7/6/01) at 2-3.

On August 3, 2001, 7-Eleven filed this appeal. On August 22, 2001, the Board stayed proceedings on this appeal *sua sponte* and remanded the subject application to allow the Trademark Examining Attorney an opportunity to respond to 7-Eleven's July 6th response to office action.

On March 25, 2002, the Trademark Examining Attorney issued an office action in response to 7-Eleven's July 6th response to office action. While acknowledging that previously "no response was made" by her to 7-Eleven's arguments based upon its aforesaid incontestable registrations, the Trademark Examining Attorney neither withdrew the finality of her rejection of the subject application, nor withdrew the disclaimer requirement. See Office Action (3/25/02) at 1-2. The Trademark Examining Attorney again reiterated her prior finding that the term "super" was laudatory, and therefore descriptive, of 7-Eleven's beverage products

On May 23, 2002, the Board ordered the proceedings on this appeal to be resumed.

IV. ARGUMENT

A. THE DISCLAIMER REQUIREMENT IS AN IMPERMISSABLE COLLATERAL ATTACK ON INCONTESTABLE REGISTRATIONS

For the reasons set forth below, where, as here, an applicant owns an incontestable registration for the subject matter subject to a disclaimer requirement and the incontestable registration and pending application are for the same goods or services, then, as a matter of law, the disclaimer requirement is inappropriate and must be withdrawn.

In *In re The American Sail Training Assoc.*, the Board was required to rule as to whether, as a matter of law, a disclaimer could be required as to subject matter of a trademark application which was the subject of an incontestable registration for the same goods. *In re The American Sail Training Assoc.*, 230 U.S.P.Q. 879 (T.T.A.B. 1986). In that case, the applicant sought registration of the mark RETURN OF THE TALL SHIPS as a service mark for organizing, arranging and sponsoring sailing races. The applicant also owned an incontestable registration for the mark TALL SHIPS for the identical services. The examining attorney, deeming the term descriptive of applicant's services, had made final a requirement that the applicant disclaim rights in "tall ships." The applicant appealed, arguing, *inter alia*, that the disclaimer requirement constituted an impermissible collateral attack upon its incontestably registered mark.

This Board started its analysis with the then recently decided *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S.189, 224 U.S.P.Q. 327 (1985), noting that the Supreme Court had held:

. . . that the holder of a registered mark may rely on incontestability to enjoin infringement and that such an action may not be defended on the ground

that the registered mark is merely descriptive. The Court held that the allegation that the registered mark was descriptive was contrary to the incontestability rights which had accrued to the registrant upon compliance with the relevant conditions of the statute after registration, i.e. the filing of a valid affidavit pursuant to Section 15 of the Act.

In re The American Sail Training Assoc., 230 U.S.P.Q. at 880.

The Board further noted the Federal Circuit's subsequently decided *In re Loew's Theatres, Inc.*, 769 F.2d 764, 226 U.S.P.Q. 865 (Fed. Cir. 1985) in which the Federal Circuit had held that the existence of an incontestable registration for DURANGO for cigars did not preclude a finding that the mark DURANGO was geographically deceptively misdescriptive for chewing tobacco. The Board particularly noted that the Federal Circuit had ruled "that each application for registration of a mark for certain goods must be separately evaluated and that '... [n]othing in the statute provides a right *ipso facto* to register a mark for additional goods" *In re The American Sail Training Assoc.*, 230 U.S.P.Q. at 880, quoting *In re Loew's Theatres, Inc.*, 769 F.2d at 769, 226 U.S.P.Q. at 869.

Having examined the prior authorities, the Board then turned to the case before it:

In the present case, the portion of applicant's mark ("TALL SHIPS") required to be disclaimed is identical to the subject matter of applicant's incontestable registration. In addition, unlike the Loew's case, the services described in applicant's application are identical to those recited in the prior incontestable registration.

In re The American Sail Training Assoc., 230 U.S.P.Q. at 880.

The Board then ruled:

We have a situation, therefore, where the mark "TALL SHIPS" for organizing, arranging and

sponsoring sailing races cannot be challenged on the ground that the mark is merely descriptive of the services. Where, as here, this ground cannot be raised by any competitor or any other party who believes he would be damaged by the continued registration of the mark "TALL SHIPS," we think the requirement by the Office to disclaim "TALL SHIPS" as an unregistrable component of the mark "RETURN OF THE TALL SHIPS" constitutes a collateral attack on the registered mark which is impermissible. To hold the term "TALL SHIPS" an unregistrable component of a mark when the same term is not only registrable for the identical services but is the subject of an incontestable registration appears illogical on its face and would be highly prejudicial to the applicant. Cf. In re-Electro Products Laboratories, Inc., 156 U.S.P.Q. 54 (TTAB 1967).

In re The American Sail Training Assoc., 230 U.S.P.Q. at 880 (emphasis added); see also 3 J. McCarthy, McCarthy on Trademarks & Unfair

Competition § 19:68 (4th ed. 2002) ("McCarthy on Trademarks"); 5 McCarthy on Trademarks § 32:146. This Board has reiterated repeatedly the rule of law that where an applicant owns an incontestable registration for the subject matter subject to a disclaimer requirement and the incontestable registration and pending application are for the same goods or services, then the disclaimer requirement is inappropriate. See, e.g., In re Best Software, Inc., 2002 WL 531115 at *6 (T.T.A.B. 2002) (rule inapplicable because prior registration was for different goods); In re Industrie Pirelli Societa per Azioni, 9

U.S.P.Q.2d 1564, 1565 (T.T.A.B. 1988) (rule inapplicable because prior registrations were for different goods); cf.,5 McCarthy on Trademarks § 32:146 at nn. 3 & 4 (discussion of factual patterns distinguished from In re The American Sail Training Assoc.).1

¹ For the Board's convenience, copy of the WESTLAW case is attached hereto as an Addendum to the brief.

The factual basis of this appeal is in all material respects identical to that presented in *In re The American Sail Training Assoc.* Here, 7-Eleven seeks registration of SUPER BIG GULP PLUS for "soft drinks for consumption on or off the premises." 7-Eleven also owns two incontestable registrations for BIG GULP and SUPER BIG GULP, both for "soft drinks for consumption on or off the premises." The requirement to disclaim the elements "super big" clearly constitutes an impermissible collateral attack upon the two prior incontestable registrations. Consequently, as a matter of law, 7-Eleven may not be required to disclaim the elements "super big."

In her office action dated March 25, 2002, the Trademark Examining Attorney offered several reasons for failing to follow the clearly controlling law. First, the Trademark Examining Attorney baldly states that "the cited case [(i.e., In re The American Sail Training Assoc.)] . . . is clearly distinguishable from the pertinent issue in this case, therefore the case is not controlling." Office Action (3/25/02) at 1. Unfortunately, the Trademark Examining Attorney failed to explain the basis for her conclusion that the present case differs in any material factual respect from that presented in In re The American Sail Training Assoc. As set forth above, and, indeed, as set forth in the filed responses to office action, it is incontrovertible that the present case falls "four square" into the rule of law articulated by this Board in In re The American Sail Training Assoc.

Second, the Trademark Examining Attorney found that she was not bound by *In re The American Sail Training Assoc.* because both the Federal Circuit and this Board "have consistently ruled in *ex parte* examinations, each case is decided on its own facts, and each mark stands on its own merits,

irrespective of a granting of 'incontestability' under Section 15 in another registered case." Office Action (3/25/02) at 1. It unquestionably is the law that a determination of the registerability of a mark must be decided upon the particular facts presented by the application and that the United States Patent and Trademark Office is not necessarily bound by its prior registration decisions on prior applications. See, e.g., In re The American Sail Training Assoc., 230 U.S.P.Q. at 880, citing In re Loew's Theatres, Inc., 769 F.2d at 769, 226 U.S.P.Q. at 869. It also unquestionably is the law, however, that one of the particular facts which must be weighed in the registration process is the existence of a prior incontestable registration of a mark encompassing subject matter now deemed to be descriptive where the prior registration covers the same goods or services as those claimed in the pending application. In re The American Sail Training Assoc., 230 U.S.P.Q. at 880. The Trademark Examining Attorney's own authority is wholly consistent with this position:

1. In re Merrill Lynch, Pierce, Fenner & Smith Inc., 828 F.2d 1567, 1568-69, 4 U.S.P.Q.2d 1141, 1142 (Fed. Cir. 1987): A prior incontestable registration for CASH MANAGEMENT ACCOUNT for financial services other than those for which registration was sought in the pending application did not preclude a finding that the subject mark was merely descriptive for the subject services. Following the rule in *In re Loew's Theatres, Inc.*, 769 F.2d at 769, 226 U.S.P.Q. at 869, the Federal Circuit held that where an applicant sought registration for a broader class of goods than those recited in a prior incontestable registration for the mark,

then the prior incontestable registration does not itself authorize the grant of another registration. *In re Merrill Lynch, Pierce, Fenner & Smith, Inc.,* 828 F.2d at 1568-69, 4 U.S.P.Q.2d at 1142. In the case now before the Board, the prior incontestable registrations cover goods identical to those recited in the subject application.

2. In re BankAmerica Corp., 231 U.S.P.Q. 873, 875 (T.T.A.B. 1986): Prior incontestable registration for BANK OF AMERICA for various financial services other than those for which registration was sought in the pending application did not preclude a finding that the subject mark was primarily geographically descriptive for the new financial services. Again, in this case, the prior incontestable registrations cover goods identical to those recited in the subject application.²

Finally, the Trademark Examining Attorney baldly states that "the issue of incontestability under the [sic] Section 15 of the Lanham Act . . . applies directly to use, but is not applicable to the registration procedures of the Office." Office Action (3/25/02) at 1 (emphasis in original). Again, 7-Eleven is

² In addition, the Trademark Examining Attorney cites *Strang Corp. v. Stouffer Corp.*, 16 U.S.P.Q.2d 1309 (T.T.A.B. 1990), a case wholly inapposite here. In that case, a respondent in a cancellation proceeding sought, *inter alia*, to dismiss any claim based upon likelihood of confusion because the subject registration purportedly had become incontestable. The Board rejected this argument both because the proceeding was filed within the statutory five (5) year period provided by Section 14 *and* because the grant of incontestability had been improperly made in light of the pendency of the cancellation proceeding at that time. 7-Eleven does not understand why the Trademark Examining Attorney made reference to this case. The Trademark Examining Attorney provided no explanation of the perceived significance of the case, or, for that matter, even a specific page reference directing 7-Eleven to a particular holding which could have been analyzed.

at a loss to understand what point the Trademark Examining Attorney is making, particularly with reference to her emphasis upon "use." It is wholly unremarkable to note, as perhaps the Trademark Examining Attorney intended to do. that:

[t]he benefits of incontestability are no more than that "the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark in commerce." 15 U.S.C. § 1115(b). The only thing that becomes incontestable is the right of the registrant to use the mark for the goods or services for which it is registered.

In re Merrill Lynch, Pierce, Fenner, & Smith Inc., 828 F.2d at 1568, 4

U.S.P.Q.2d at 1141. As this Board found in In re The American Sail Training

Assoc., it is the logical and necessary corollary of this right that the owner of an incontestable registration may not be required to disclaim rights in a subsequent application seeking registration of the same elements for the same goods or services. Consequently, to the extent that the Trademark Examining Attorney really meant that the existence of incontestably registered rights can never be pertinent to the issuance of another registration, she was wrong as a matter of law. See 3 McCarthy on Trademarks § 19:68.

B. THE TRADEMARK EXAMINING ATTORNEY ERRED IN FINDING "SUPER BIG" IS MERELY DESCRIPTIVE OF 7-ELEVEN'S SOFT DRINK PRODUCTS

The Trademark Examining Attorney found that "super big," as an element of the composite mark SUPER BIG GULP PLUS, was laudatory for,

³ In addition, the Trademark Examining Attorney's reference to "the registration procedures of the Office" is inexplicable. 7-Eleven never has requested the Trademark Examining Attorney to vary any registration procedures on the basis of the existence of its prior incontestable registrations or otherwise. Rather, 7-Eleven simply has requested the Trademark Examining Attorney to apply the controlling law and withdraw her inappropriate disclaimer requirement.

and, therefore, merely descriptive of, 7-Eleven's soft drink products. This finding, however, is premised on a clearly erroneous assumption that any mark which conveys laudatory information is descriptive, as well as a misapplication of the controlling evidentiary presumptions.

A mark is merely descriptive if it "immediately conveys information about an ingredient, quality, characteristic, function, purpose, use, feature, property or part of the goods or services in connection with which it is used." In re Nalco Chemical, 228 U.S.P.Q. 972, 973 (T.T.A.B. 1986) (emphasis added). By contrast, "A term is suggestive if it requires thought, imagination or perception to reach a conclusion as to the nature of the goods." In re Hester Industries, Inc., 230 U.S.P.Q. 797, 798 (T.T.A.B. 1986). This Board has recognized:

... there is a thin line of demarcation between a suggestive term and a merely descriptive one and it is often quite difficult to determine the permissible scope of suggestiveness and the impermissible descriptive connotation of a term. ... The distinction is often made on an intuitive basis rather than as a result of a logical analysis susceptible of articulation.

In re Broco, 225 U.S.P.Q. 227, 229 (T.T.A.B. 1984) (citations omitted). In recognition of this reality, this Board long has followed a policy that:

...there is a thin line between a suggestive and a merely descriptive designation, and where reasonable men may differ, it is the Board's practice to resolve the doubt in applicant's favour and publish the mark for opposition."

In re Intelligent Medical Systems Inc., 5 U.S.P.Q.2D 1674, 1676 (T.T.A.B. 1987) (citations omitted); See also, In re Morton-Norwich Products, Inc., 209 U.S.P.Q. 791, 791 (T.T.A.B. 1981).

Here, 7-Eleven argued that, although "super big" does connote an imprecise positive quality associated with 7-Eleven's soft drinks, the information conveyed by the mark is neither immediately nor directly descriptive of such goods. In support of its position, 7-Eleven relied upon indirect evidence as to how consumers would be likely to understand the term "super big" as used with 7-Eleven's soft drinks. 7-Eleven also relied upon its prior registration of SUPER BIG GULP for soft drinks, a registration issued without a disclaimer requirement.

In addition, 7-Eleven relied upon this Board's opinion in *In re Ralston Purina Co.*, 191 U.S.P.Q. 237 (T.T.A.B. 1976). In *In re Ralston Purina Co.*, the applicant sought registration of the mark RALSTON SUPER SLUSH ("slush" disclaimed) for a concentrate for making slush beverages. Applicant appealed from the requirement that it disclaim "super" as laudatory, and, therefore merely descriptive, of applicant's goods. The Board found that the term "super" previously had been found to be both descriptive and suggestive in different context. The Board specifically noted, however, that "in modern day advertising" use of super constituted mere "puffery" intended "to connote a vague desirable characteristic or quality allegedly connected with the product." *See In re Ralston Purina Co.*, 191 U.S.P.Q. at 238. The Board then found that in connection with applicant's beverage concentrate product, "['super'] is not used to describe any real or specific item or characteristic or quality and is therefore not merely descriptive of the goods. . . ." *Id.*

Over the years, this Board consistently has acknowledged and applied this distinction between descriptive and suggestive uses of "super." In *In re United States Steel Corp.*, 225 U.S.P.Q. 750, 751-52 (T.T.A.B. 1985), this

Board found "super" as an element of SUPEROPE & Design to be descriptive of applicant's wire rope product because it immediately communicated the product's enhanced performance attributes. Similarly, in *In re The General Tire & Rubber Corp.*, 194 U.S.P.Q. 491, 494 (T.T.A.B. 1977), this Board found "super" as an element of SUPER STEEL RADIAL to be descriptive of applicant's steel belted radial tires because it immediately communicated a grade or quality differential, a common attribute of tires. *See also In re WSI Corp.*, 1 U.S.P.Q.2d 1570, 1572 & n.4 (T.T.A.B. 1986); *In re Carter-Wallace, Inc.*, 222 U.S.P.Q. 729, 730 (T.T.A.B. 1984).

Here, "super" does not modify a generic term, but rather the suggestive mark BIG GULP. It can in no way be understood to be a performance or quality reference to applicant's soft drinks. Rather, as with RALSTON SUPER SLUSH in *In re Ralston Purina Co.*, "super" necessarily must be understood by consumers to communicate a vaguely desirable quality about 7-Eleven's soft drinks. Furthermore, the "super big" elements cannot be understood to immediately or directly communicate meaningful information about the size of 7-Eleven's soft drink product. Again, these terms modify the "gulp" element (i.e., "a large mouthful of liquid hastily drunk"). *New Oxford Dictionary of English* 818 (2001). Clearly, consumers purchasing a soft drink product understand that they are receiving more than a single (even if "super big") mouthful of beverage.

7-Eleven acknowledges that the Trademark Examining Attorney also has introduced evidence, primarily in the form of registration records for other marks, including some marks for beverage products, where the registrant disclaimed the terms "super" or "big." As the Trademark Examining Attorney

repeatedly noted, however, prior decisions respecting the registerability of other marks do not bind the Office when determining the registerability of the mark for which registration is sought. Although 7-Eleven respectfully submits that the above analysis clearly establishes the suggestive nature of "super big" in the particular context of use in SUPER BIG GULP for soft drinks, in is incontrovertible that, at a minimum, there is reasonable doubt as to the validity of the Trademark Examining Attorney's descriptiveness finding. Under such circumstances, it was clear error for the Trademark Examining Attorney to fail to give 7-Eleven the benefit of the evidentiary presumption that "where reasonable men may differ, it is the Board's practice to resolve the doubt in applicant's favour." *In re Intelligent Medical Systems Inc.*, 5 U.S.P.Q.2D at 1676 (citations omitted).

V. CONCLUSION

For the reasons set forth above, 7-Eleven respectfully suggests that the Trademark Examining Attorney's disclaimer requirement is erroneous as a matter of law and should be reversed. 7-Eleven further respectfully requests that the subject application be remanded and passed for publication.

Respectfully submitted,

WILDMAN, HARROLD, ALLEN & DIXON

Date: September 19, 2002

Charles R. Mandly, Jr.

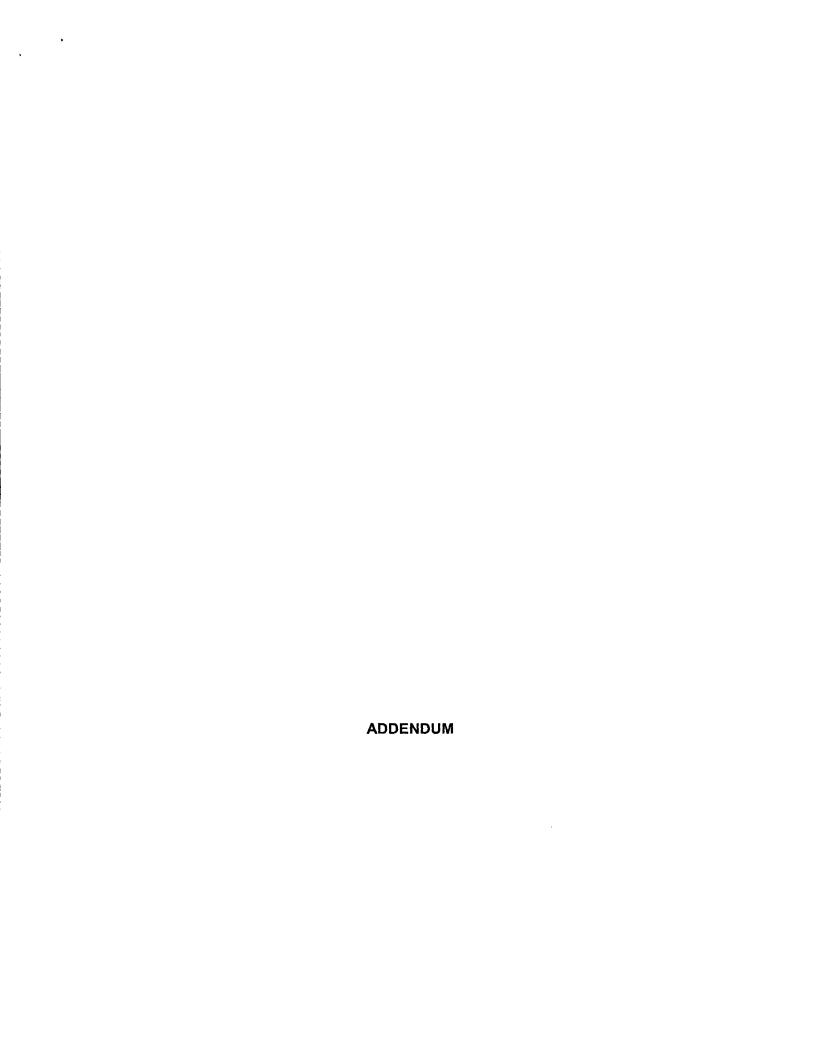
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(Cite as: 2002 WL 531115 (Trademark Tr. & App. Bd.))

*1 THIS OPINION IS CITABLE AS PRECEDENT OF THE T.T.A.B.

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)
IN RE BEST SOFTWARE, INC.
Serial No. 75/496,422
April 3, 2002

Marsha G. Gentner and Leesa N. Weiss of Jacobson Holman PLLC for applicant

Carol A. Spils
Trademark Examining Attorney
Law Office 101
(Jerry Price, Managing Attorney)

Before Simms, Seeherman and Chapman Administrative Trademark Judges

Opinion by Simms Administrative Trademark Judge

Best Software, Inc. (applicant), a Virginia corporation, has appealed from the final refusal of the Trademark Examining Attorney to register the mark BEST! IMPERATIV HRMS ("HRMS" disclaimed) for computer software for human resource, payroll, W-2 and tax processing and employee management. [FN1]

The Examining Attorney has made final her requirement for a disclaimer of the word "BEST" apart from the mark as shown. Applicant and the Examining Attorney have submitted briefs but no oral hearing has been requested.

Relying upon a dictionary definition [FN2] and copies of third-party registrations, the Examining Attorney maintains that the word "BEST" is merely descriptive of applicant's goods under Section 2(e)(1) of the Act, 15 USC s 1052(e)(1), and should be disclaimed under Section 6, 15 USC s1056. The Examining Attorney argues that "BEST" is a laudatory word which attributes quality or excellence to applicant's goods, and that this word is nondistinctive and unregistrable without proof of acquired distinctiveness.

The Examining Attorney notes that this word has been disclaimed in applicant's Registration No. 1,374,606, issued December 10, 1985, covering computer programs recorded on diskettes, for the mark BP BEST PROGRAMS "THE QUALITY SOFTWARE COMPANY." The Examining Attorney has also made of record numerous third-party registrations wherein the word "BEST" has been disclaimed. These registrations cover such marks as BEST INTERNET COMMUNICATIONS, COMPUTER CITY AMERICA'S BEST COMPUTERS, PAINTER'S BEST, THE BEST OF THE TWENTIETH CENTURY, SIMON SYSTEMS - SIMPLY THE BEST!, QUALITY SERVICE CONTRACTORS QSC TRUST THE NATION'S BEST, BEST VANTAGE, BEST ELECTRONIC SECURITY TEAM B.E.S.T., BEST TV and design, BERRY BEST SERVICES and others. The Examining Attorney has also relied upon the Board's recent decision In re Best Software Inc., 58 USPQ2d 1314 (TTAB 2001), which we shall discuss in more detail below.

(Cite as: 2002 WL 531115, *1 (Trademark Tr. & App. Bd.))

Applicant, on the other hand, maintains that the disclaimer requirement is inappropriate because the word "BEST" is not used to describe any real or specific item or characteristic of applicant's goods. Further, applicant argues that embedded in its mark is the exclamation mark "!", so that BEST! creates a unitary commercial impression. With respect to its '606 registration, where the words "BEST PROGRAMS" were disclaimed, applicant argues that that mark is different from the mark presented herein and that, under Section 6(b), a disclaimer should not prejudice or affect applicant's rights in the disclaimed matter.

*2 Applicant also places strong reliance upon its ownership of Principal Register Registration No. 1,911,151, issued August 15, 1995, Sections 8 and 15 affidavits accepted and acknowledged, respectively, for the mark "BEST!" without any disclaimer or without any claim of acquired distinctiveness. That registration issued for such goods as computer programs for accounting, tax preparation, generating office reports and manuals, electronic filing and facsimile transmission, human resource management, financial management, computer network management, and for office administration and file management. Because a Section 15 affidavit has now been filed and acknowledged, applicant arques that this registration is now conclusive evidence of the validity of that registration as well as applicant's exclusive right to use the registered mark BEST! in commerce. According to applicant, this registered mark is identical to part of the mark herein sought to be registered and the registration encompasses the same goods as those in this application (computer software for human resource, payroll, W-2 and tax processing and employee management). In this regard, applicant argues that "employee management" computer software is within the scope of the prior registration. Relying upon Park 'N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189, 105 S.Ct. 658, 224 USPQ 327 (1985), discussed more fully below, applicant appears to argue that it is improper for the Examining Attorney to require a disclaimer herein because its registration cannot now be attacked on the basis of mere descriptiveness.

Finally, applicant, like the Examining Attorney, also made of record numerous third-party registrations issued on the Principal Register. In these registrations, however, the word "BEST" was not disclaimed, and the registrations were not issued with a claim of acquired distinctiveness. Some of these registered marks are: DISCOVER YOUR BEST, BEST BUDDIES, STRICTLY THE BEST, TEST WITH THE BEST, BEST THING SINCE BUTTER, BOUND TO BE THE BEST, TRADITIONALLY THE BEST, THE BEST SPREAD FROM TOAST TO TOAST, THE BEST FOR LAST, EARL GREY'S BEST, DIETER'S BEST, NATURALLY THE BEST, and BEST BREED.

With respect to these third-party registrations, it is the Examining Attorney's position that many of them are for slogans or unitary terms wherein no disclaimers are required. In response to applicant's reliance on the '151 registration, the Examining Attorney argues that the goods herein are different from the goods in that registration and that applicant's computer software content is broader in some instances and different in others in this application. Examining Attorney's brief, 9. Furthermore, decisions of other Examining Attorneys in registering different marks are without evidentiary value and are not binding on the office, the Examining Attorney argues. She maintains that each case must be decided on its own facts.

*3 Upon careful consideration of this record and the arguments of the attorneys, we conclude that the word "BEST" in applicant's mark is merely descriptive, in a laudatory sense, of applicant's computer software and must be

Westlaw.

disclaimed, in the absence of a showing of acquired distinctiveness.

In In re Boston Beer Co. L.P, 198 F.3d 1370, 53 USPQ2d 1056, 1058 (Fed. Cir. 1999), in determining the registrability of the slogan "THE BEST BEER IN AMERICA," the Court of Appeals for the Federal Circuit held that this phrase was "so highly laudatory and descriptive as to be incapable of acquiring distinctiveness as a trademark.... [I]t is so highly laudatory and descriptive of the qualities of its product that the slogan does not and could not function

of the qualities of its product that the slogan does not and could not function as a trademark to distinguish Boston Beer's goods and serve as an indication of origin".

We also note what we said earlier in In re Best Software, supra, at 1317:
Concerning the issue of mere descriptiveness, for the reasons expressed by
the Examining Attorney, we believe that the word[] "BEST"... [is a] merely
descriptive laudatory word[] which should be disclaimed. As presented in
applicant's marks sought to be registered, [this word has] merely descriptive
significance, indicating high quality or importance. [It is] unregistrable
without a showing of acquired distinctiveness...

Without a showing of acquired distinctiveness...

See also In re Nett Designs, Inc., 236 F.3d 1339, 57 USPQ2d 1564 (Fed. Cir. 2001) ("THE ULTIMATE BIKE RACK" held a "laudatory descriptive phrase"); The Hoover Co. v. Royal Appliance Mfg. Co., 238 F.3d 1357, 57 USPQ2d 1720 (Fed. Cir. 2001) ("Number One in Floorcare" held a "generally laudatory phrase, and thus... not inherently distinctive"); Exquisite Form Industries, Inc. v. Exquisite Fabrics of London, 378 F.Supp. 403, 183 USPQ 666 (SDNY 1974) (EXQUISITE); In re Consolidated Cigar Co., 35 USPQ2d 1290 (TTAB 1995) (SUPER BUY); In re Inter-State Oil Co., 219 USPQ 1229 (TTAB 1983) (PREFERRED); and In re Wileswood, Inc., 201 USPQ 400 (TTAB 1978) (AMERICA'S BEST POPCORN! and AMERICA'S FAVORITE POPCORN!).

Concerning applicant's argument regarding its ownership of the incontestable '151 registration, it is of course true that under Section 15 of the Act a registrant's exclusive right to use a mark in commerce on or in connection with the goods or services covered by the registration can become incontestable. Section 15 provides, in part, as follows:

Except on a ground for which application to cancel may be filed at any time under paragraphs (3) and (5) of section 1064 of this title... the right of the registrant to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years subsequent to the date of such registration and is still in use in commerce, shall be incontestable...

*4 Thus, the statute clearly states that the incontestability provided applies specifically to the use of the registered mark, rather than registration. A review of the relevant legal authorities makes this clear, as well as the fact that even the ownership of an incontestable registration does not allow an applicant to obtain, by that fact alone, another registration for the same or similar mark for somewhat different goods or services.

In Park 'N Fly, supra, the owner of an incontestable registration for the mark PARK 'N FLY sued an alleged infringer who was using the mark DOLLAR PARK AND FLY. The defendant argued that the mark PARK 'N FLY was merely descriptive and therefore unenforceable. The Supreme Court disagreed, holding that the owner of a registered mark may rely on the incontestable status of its registration under Section 15 to enjoin infringement by a third party, and that an incontestable registration cannot be challenged by a party on the ground that the mark is merely descriptive.

In In re Loew's Theatres, Inc., 769 F.2d 764, 226 USPQ 865 (Fed. Cir. 1985),

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the applicant claimed that its incontestable registration for virtually the same mark ("DURANGOS" vs. "DURANGO") for closely related goods (cigars vs. chewing tobacco) precluded a refusal of its subsequent application as primarily geographically deceptively misdescriptive. The Court disagreed, holding that each application must be evaluated separately, and further stating that the statute did not provide "a right ipso facto to register a mark for additional goods when items are added to a company's line or substituted for other goods covered by a registration."

Also, in In re Merrill Lynch, Pierce, Fenner, & Smith, Inc., 828 F.2d 1567, 4 USPQ2d 1141 (Fed. Cir. 1987), the Court stated that, "The benefits of incontestability are no more than that 'the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark in commerce.' ... The only thing that becomes incontestable is the right of the registrant to use the mark for the goods or services for which it is registered (emphasis added)." The Court recognized that "ownership of a registration does not of itself authorize the grant of another registration for different goods. Each application for registration must be considered on its own merits." Id. at 1142.

And in In re Save Venice New York Inc., 259 F.3d 1346, 59 USPQ2d 1778 (Fed. Cir. 2001), the Court recently rejected an argument that registration should be permitted because of applicant's ownership of an incontestable registration, saying, at 57 USPQ2d 1783:

*5 A registered mark is incontestable only in the form registered and for the goods or services claimed. See In re Merrill Lynch... (holding applicant's incontestable registration of a service mark for "cash management account" did not automatically entitle applicant to registration of that mark for broader financial services); In re Bose Corp., 772 F.2d 866, 873, 227 USPQ 1, 6-7 (Fed. Cir. 1985). A registered mark on goods other than those previously registered carries no presumption of distinctiveness. In re Loew's... (holding incontestable mark DURANGO for cigars insufficient to establish distinctiveness of DURANGO for chewing tobacco). Here, the proposed composite mark is an entirely different mark from SAVE VENICE standing alone, and is used on entirely different goods from those services previously registered under the SAVE VENICE mark. Because the incontestable service mark SAVE VENICE used for fundraising services carries no presumptive weight within this composite mark as applied to the nine international classes of consumer goods at issue, we therefore turn to the Board's evaluation of the graphic and linguistic strength of this element.

The Board, when faced with the issue of incontestability in appeals, has generally held that the incontestable status of a prior registration does not alter the analysis for registrability in a later application for a similar mark. In In re BankAmerica Corporation, 231 USPQ 873 (TTAB 1986), the Examining Attorney refused registration under Section 2(e). In response, applicant argued that it owned seven registrations for the same mark for related services, all of which were incontestable under Section 15 (the first three had been issued under Section 2(f), but the most recent four were not). Applicant further argued that the holding in Park 'N Fly prevented Examining Attorneys from refusing to register the same or virtually the same mark. However, the Board disagreed and affirmed the refusal, saying, "This Office cannot and should not be barred from examining the registrability of a mark when an applicant seeks to register it for additional goods or services... The cases are legion holding that each application for registration of a mark for particular goods or services must be

(Cite as: 2002 WL 531115, *5 (Trademark Tr. & App. Bd.))

separately evaluated." Id. at 875-76, and cases cited therein.

Similarly, in Strang Corp. v. The Stouffer Corp., 16 USPQ2d 1309 (TTAB 1990), the Board held that Section 15 has no application to a cancellation proceeding. "Section 14 and Section 15 speak to different purposes, Section 14 being in effect a five year time limit barring certain attacks on a registration, while Section 15 provides incontestable rights of use." Id. at 1311.

*6 And in In re Best Software, supra, at 1317, the Board earlier dealt with applicant's arguments concerning its ownership of this same registration, which was five years old at the time of decision but for which the Section 15 affidavit or declaration had not yet been processed. The Board relied on much of the same authority discussed above, and also cited In re Sunmarks Inc., 32 USPQ2d 1470, 1472 (TTAB 1994) ("The cases are legion holding that each application for registration of a mark for particular goods or services must be separately evaluated... . Section 20 of the Trademark Act...gives the Board the authority and duty to decide an appeal from an adverse final decision of the Examining Attorney. This duty may not be delegated by adoption of conclusions reached by Examining Attorneys on different records. Suffice it to say that each case must be decided on its own merits based on the evidence of record. We obviously are not privy to the record in the files of the registered marks and, in any event, the issuance of a registration(s) by an Examining Attorney cannot control the result of another case.") See also In re Bose Corp., 772 F.2d 866, 227 USPQ 1, 7 n. 5 (Fed. Cir. 1985) (incontestable status of registration for one speaker design does not establish non-functionality of another speaker design with shared feature); and In re Industrie Pirelli Societa per Azioni, 9 USPQ2d 1564 (TTAB 1988) (Examining Attorney may refuse registration on the ground that a mark is primarily merely a surname even if applicant owns incontestable registration of same mark for unrelated goods). Compare In re American Sail Training Association, 230 USPQ 879, 880 (TTAB 1986), where the Board held that an Examining Attorney may not require a disclaimer of "TALL SHIPS" in an application for registration of the mark RETURN OF THE TALL SHIPS, where applicant owns an incontestable registration for the mark TALL SHIPS covering identical services. There, the Board stated that the matter required to be disclaimed was "identical to the subject matter of applicant's incontestable registration, and that "the services described in applicant's application are identical to those recited in the prior incontestable registration."

In sum, ownership of an incontestable registration does not give the applicant a right to register the same or similar mark for different goods or services, even if they are closely related to the goods or services set forth in the incontestable registration. Here, this application seeks registration of a different mark--BEST! IMPERATIV HRMS--with a different commercial impression from the mark in the prior registration--BEST! per se--for goods which, although similar, are nevertheless somewhat different. Moreover, as noted above, each case must be decided on its own merits. See also In re Nett Designs, supra, and In re Owens-Corning Fiberglas Corp., 774 F.2d 1116, 227 USPQ 417, 424 (Fed. Cir. 1985). Finally, we have given little weight to the numerous third-party registrations submitted by both sides. In re Nett Designs, supra ("Even if some prior registrations had some characteristics similar to [applicant's] application, the PTO's allowance of such prior registrations does not bind the Board or this court.")

*7 Decision: The requirement for a disclaimer is affirmed. Applicant is allowed until 30 days in which to submit an appropriate disclaimer. If applicant

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(Cite as: 2002 WL 531115, *7 (Trademark Tr. & App. Bd.))

submits the required disclaimer, it will be entered, the refusal to register will be set aside, and the application will be forwarded for publication.

FN1. Application Ser. No. 75/496,422, filed June 3, 1998, based upon applicant's bona fide intention to use the mark in commerce. The letters have been disclaimed because the letters are an initialism for the subject matter of applicant's software--human resource management system. In the application, applicant claims ownership of Registration No. 1,911,151.

FN2. "Surpassing all others in excellence, achievement, or quality, most excellent..." American Heritage Dictionary of the English Language Third Edition (1992).

2002 WL 531115 (Trademark Tr. & App. Bd.), 63 U.S.P.Q.2d 1109 END OF DOCUMENT